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California High-Speed Rail Authority P.O. Box 162771 Sacramento, California 95816

The Authority consists of nine members: five appointed by the Governor, two appointed by the Senate Rules Committee, and two by the Speaker of the Assembly. The members are:

- Michael E. Tennenbaum, Chair (Los Angeles):
 Appointed by Governor Pete Wilson. Mr. Tennenbaum is a managing member of Tennenbaum and Company, a private investment firm. He previously was a director and vice chairman, investment banking, at Bear Stearns & Co., Incorporated. He also was a member of the Intercity High-Speed Rail Commission.
- Edward P. Graveline, Vice Chair (Fresno): Appointed by Governor Pete Wilson. Mr. Graveline is the business administrator for Valley Christian Center, one of the Central Valley's largest congregations and Christian enterprises. He also is chair of the Fresno County Rallroad Committee.
- Dr. Ernest A. Bates (San Francisco): Appointed by the California Senate Rules Committee. Dr. Bates is founder and Chief Executive Officer of American Shared Hospital Services, which leases advanced surgical technology and machines to hospitals. Dr. Bates is a board certified neurological surgeon.
- Jerry B. Epstein (Los Angeles): Appointed by Governor Pete Wilson. Mr. Epstein is general partner of Del Rey Shores and Marina Pacific Associates. A real estate developer, Mr. Epstein also has served on the California Transportation Commission and the Los Angeles Board of Airports.
- Dean Florez (Bakersfield): Appointed by the Speaker of the Assembly. Mr. Florez is vice president at the investment banking firm of E.J. De La Rosa Company and president of Option Consulting Group, Inc., an economic development corporation. Mr. Florez specializes in the design and utilization of public finance programs.

- John P. Fowler (San Diego): Appointed by Governor Pete Wilson. Mr. Fowler is a principal consultant for Rick Engineering Company. A registered civil engineer, Mr. Fowler also has worked for the City and County of Los Angeles and the City of San Diego, where he served as the assistant city manager.
- William E. Leonard (San Bernardino): Appointed by Governor Pete Wilson. Mr. Leonard owns Leonard Realty and Building Company, which develops, builds and manages private and public facilities. He has served on the California Transportation Commission and its predecessor, the State Highway Commission. He also is a founding member of Inland Action, Inc., a business development organization serving San Bernardino and Riverside counties.
- T.J. (Tom) Stapleton (Petaluma): Appointed by the Speaker of the Assembly. Mr. Stapleton is general vice president of the International Union of Operating Engineers of America and Canada. He also is a member of Operating Engineers Local 3, the largest construction union in the United States, where he served as business manager for 14 years and was trustee of one of the largest trusts in California. Mr. Stapleton also served as co-chair of the Proposition 108 and 111 committees, which funded rail and road construction bonds in the early 1990's.
- Mehdi Morshed, Executive Director: Prior to joining the Authority as executive director, Mr. Morshed was senior consultant to the California Senate Transportation Committee, a position he held for 21 years. Mr. Morshed also was a member of both the Authority and its predecessor, the Intercity High-Speed Rail Commission.
- Vacancy: To be appointed by the California Senate Rules Committee.



Mehdi Morshed Executive Director

Dan Leavitt Deputy Director

John BarnaDeputy Director

Carrie Pourvahidi Chief Administrative Officer

Jill Young Executive Assistant

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the Intercity High-Speed Rail Commission. The Authority is also responsible for preparing a financial plan to fund the construction of the system.

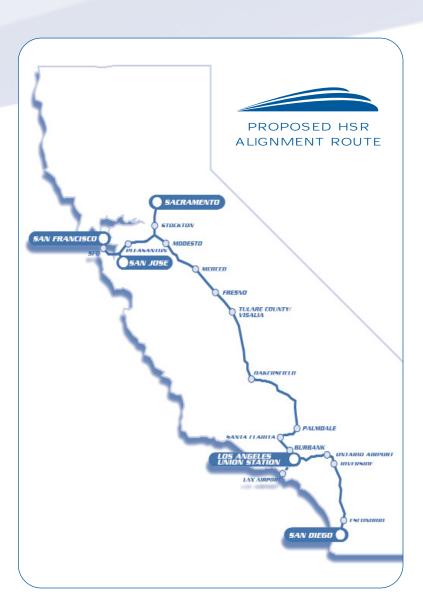
The Authority has all the powers necessary to oversee the construction and operation of a statewide HSR network. Initially, these powers include:

- Conducting engineering and environmental studies
- Evaluating alternatives
- Establishing criteria to award a franchise to design, build and/or operate parts or all of the system
- Preparing a detailed financial plan and placing it on the ballot at the November general election in 2000

Once funding for the HSR network is secured, the Authority would gain additional powers to:

- Enter into contracts with private or public entities for the design, construction and operation of high-speed trains
- Acquire rights-of-way through purchase or eminent domain
- Issue debt, secured by pledges of State funds, federal grants, or project revenues
- Enter into cooperative or joint development agreements with local governments or private entities
- Set fares and schedule for the system
- Relocate highways and utilities

An extensive outreach program will focus on informing the public about HSR's costs and benefits.



PROGRESSING TOWARD HIGH-SPEED RAIL IMPLEMENTATION

Although the feasibility of HSR in California has been determined, a significant amount of work remains to be done prior to bringing the issue before the voters. The Authority has retained several private consulting teams to prepare a "business plan" to be completed by the end of 1999.

The resources to fund the preparation of the business plan come from three sources. The Authority has an appropriation in the current fiscal year of \$3 million. In addition, the Federal Railroad Administration (FRA) has awarded a \$100,000 grant to the Authority for additional technical studies of the Los Angeles to San Diego corridor. The Authority also has more than \$500,000 in remaining Proposition 116 funds at its disposal.

In progressing toward the business plan, the Authority has undertaken the following efforts:

A Comprehensive Statewide Rail Plan: This plan will help determine how HSR will integrate with conventional intercity rail services. It will define what conventional service improvements are needed and which should receive priority.

Updating Ridership Forecasts: The base year data for the Commission's "investment grade" ridership and revenue forecasts will be six years old in the year 2000. The Authority's financial plan will require forecasts that reflect and use the most recent economic and demographic data and forecasts available. Furthermore, additional forecasts will be run to answer remaining questions regarding route, operations, and policy issues.

Additional Corridor Evaluation: Further alignment investigations and evaluations are necessary in several areas, and unit costs and other assumptions must be reviewed and updated.

A Detailed Financing Plan: A detailed study of the financing, institutional and procurement issues, as well as economic impacts of a statewide HSR network.

Public Outreach: An extensive outreach program focused on informing the public about HSR and its costs and benefits. The program also seeks the input and participation of the public in developing the business plan.

A draft business plan incorporating findings from each of these studies will be completed by late 1999, and the final business plan will be submitted to the Governor and the Legislature. Findings from the consulting studies will be presented at the Authority's monthly meetings.

HIGH-SPEED RAIL AUTHORITY MEETING SCHEDULE

January 20	Sacramento
February 17	Los Angeles
March 17	San Jose
April 21	San Diego
May 19	San Francisco
June 16	Los Angeles
July 21	San Francisco
August 18	Santa Ana
September 15	Fresno
October 20	Los Angeles
November 17	San Jose
December 15	Riverside

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